

UNITED STATES DISTRICT COURT  
DISTRICT OF MASSACHUSETTS

\_\_\_\_\_  
IONICS, INCORPORATED,  
Plaintiff

v.

\_\_\_\_\_  
GLOBAL ENERGY, INC.,  
Defendant.  
\_\_\_\_\_

)  
)  
)  
)  
) Civil Action No. 04-11943-PBS  
)  
)  
)  
)  
)

**AFFIDAVIT OF GARY PODRABSKY**

Gary Podrabsky, being duly sworn, deposes and says, as follows:

1. I am the Vice President and General Manager of the Bellevue, Washington division of Ionics, Incorporated ("Ionics"). I have been working for Ionics in this position since April 2002, and have worked for Ionics at this location since July 1994 in a managerial capacity. I submit this affidavit in support of Ionic's Motion for Summary Judgment on its Claim against Defendant Global Energy, Inc. ("Global") for Breach of a Guaranty Agreement. The facts and matters deposed to are within my personal knowledge and are true and correct, except where otherwise stated to be on information and belief.

2. In September, 2000, Ionics and Wabash River Energy, Ltd. ("WRE"), a wholly owned subsidiary of Global, entered into a contract ("the Contract") for Ionics to provide WRE with certain water purification equipment (the "equipment") and technical services (the "services"). The Contract required WRE to pay Ionics an agreed-upon price for the equipment

and services in portions on the completion of contractual milestones. A true and accurate copy of the Contract is attached hereto as Exhibit A.

3. The equipment and services were provided over time during 2000 and 2001, and Ionics provided the equipment and services in full compliance with the Contract with WRE.

4. WRE has paid only a portion of the contract price. The outstanding balance owed under the Contract through March 4, 2003 is \$1,979,278.00.

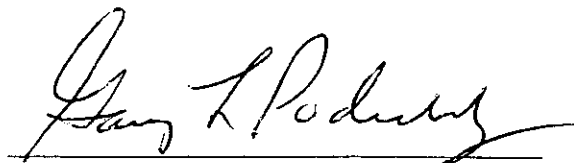
5. On March 4, 2003, Global, in consideration for Ionics' forbearance from taking immediate legal action against WRE, its wholly owned subsidiary, entered into a Guaranty Agreement ("the Guaranty") with Ionics.

6. A true and accurate copy of the Agreement is attached hereto as Exhibit B.

7. As of August 26, 2004, WRE still has not paid Ionics the balance owed under the Contract or the accrued interest of \$392,624.41.

8. By letter dated June 30, 2004, Ionics demanded payment from Global pursuant to the Guaranty. Global has not paid Ionics the outstanding debt or accrued interest on the Contract pursuant to the Guaranty. A true and accurate copy of the demand letter is attached hereto as Exhibit C.

Signed under the penalties of perjury this 26th day of August, 2004.



Gary Podrabsky